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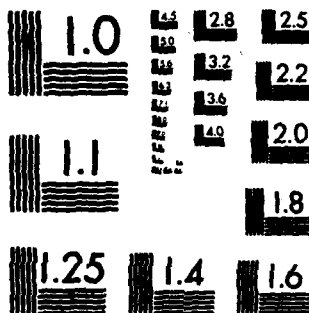
THE TACTICAL IMPLICATIONS OF PILOT RETENTION IN TAC  
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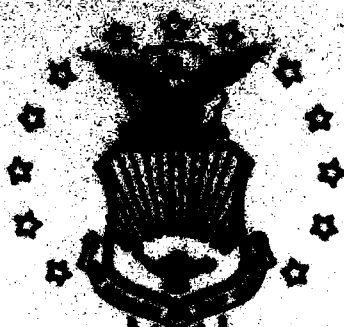


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# AIR COMMAND AND STAFF COLLEGE

STUDENT REPORT  
THE TACTICAL IMPLICATIONS OF  
PILOT RETENTION IN TAC

MAJ Robert L. Evans

SS-0845

"Insights into Tomorrow"

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**REPORT NUMBER** 88-0845

**TITLE** THE TACTICAL IMPLICATIONS OF PILOT RETENTION IN TAC

**AUTHOR(S)** Major Robert L. Ehmen, USAF

**FACULTY ADVISOR** Lt Col William D. Wegenhoft, ACSC/3822 STUS

**SPONSOR** Major Lenny Bates, HQ TAC/DPROC

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## PREFACE

Pilot retention continues to be a serious problem across the entire spectrum of the Air Force. The Tactical Air Command (TAC), in particular, is losing tremendous sources of expertise due to the lowering retention rate. This study examines the current problem and relates it to the previous retention problem that existed in the late 1970s. It looks at possible lessons learned and how they may need to be applied today along with more drastic measures to curb the downward retention rate. Those measures include significant increases in flight pay and bonuses coupled with aggressive "people" programs. Air Force leadership will play a key role in solving the retention problem.

During the course of this research, I was fortunate to have strong support from many people. I wish to thank Lt Col William Wegenhoft, my advisor, for providing valuable insight and comments during my research. I want to also express my thanks to Majors Bob Ginn and Jim Stanley for helping my research process and to Major Lenny Bates for accepting my sponsorship.



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## ABOUT THE AUTHOR

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Major Robert Ehmen is a native of Nebraska. His interest in the Air Force began as a youth on the farm while watching jet aircraft flying overhead. After graduating from high school he attended Dana College and received his Bachelor of Arts degree in Environmental Science. After working as a youth counselor for one year, he entered the Air Force and received his commission from Officer Training School. He graduated from Undergraduate Navigator Training in 1975 and flew as a Weapon Systems Officer in the F-4 at Hill AFB, Utah and Kunsan AB, Korea. Following his assignment at Kunsan, he was selected for Undergraduate Pilot Training. After graduation he was assigned to the F-4 at Seymour-Johnson AFB, North Carolina. His most previous assignment was as an instructor pilot at TAC's Lead-In Fighter Training (LIFT) course at Holloman AFB, New Mexico. He has over 1400 hours flying time in the F-4 and an additional 500 hours flying the AT-38B at LIFT.



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## EXECUTIVE SUMMARY



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"insights into tomorrow"

**REPORT NUMBER** 88-0845

**AUTHOR(S)** MAJOR ROBERT L. EHMAN, USAF

**TITLE** THE TACTICAL IMPLICATIONS OF PILOT RETENTION IN TAC

**I. Purpose:** To determine principle reasons for the decreasing levels of pilot retention in TAC and the Air Force at large. To evaluate present and proposed courses of action which should be taken to solve the retention problem.

**II. Problem:** Pilot retention continues to be a serious problem across the entire spectrum of the Air Force. The Tactical Air Command (TAC), in particular, is losing tremendous sources of expertise due to lower retention rates. Part of the reason for the present retention problem is the recent airline hiring boom with the promise of better pay and benefits on the outside. While that may be true, there is also a significant problem with perceptions that may have contributing influences on the decision to leave the Air Force. For that reason, pay alone will not stop the decline in retention.

**III. Discussion:** The Air Force has many programs presently underway to help solve the retention dilemma. Those in effect are the intangibles such as reductions in additional duties, duty day length, quality of life, promotion systems, etc. These programs require insight by our leaders and commanders with close attention to subordinates in order to work effectively.

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## CONTINUED

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Following the previous retention slump of the 1970s and early 1980s, they did work quite well. In addition to these intangibles, the Air Force is proposing other programs such as pay hikes and bonuses as well as the possibility of a dual track career system. Budget restraints will obviously not allow the military to achieve parity with the major airlines regarding pilot salaries.

IV. Conclusions and Recommendations: The United States Air Force must integrate several retention programs simultaneously if the retention problem is to be solved. Skillful leadership and a combination of aviation career incentive pay (ACIP) hikes and a flight pay bonus for certain targeted year groups must be combined with current programs to achieve a synergistic effect to solve the retention problem.

## Chapter One

### INTRODUCTION

#### PURPOSE FOR THE STUDY

Most of us recall a popular television series during the mid-1970s based on a military test pilot who miraculously survived a prototype aircraft crash. A team of surgeons saved him by using the marvels of modern technology. They rebuilt him using "bionic" limbs and mechanical devices. Because the cost to rebuild him approached six million dollars, he was called the "Six Million Dollar Man". The series went on, episode after episode stressing his importance to the national security program. It often went to extremes to prove how valuable this "six million dollar man" was and to show that the government would go to extreme measures to protect him.

Headquarters, Tactical Air Command (TAC) has recently introduced the concept of the "six million dollar man" as related to the increasing costs of losing its valuable fighter pilots. Specifically, the monetary expense for training a fighter pilot through the third year of his first operational tour is \$6,150,421 for the F-4, \$7,504,281 for the F-15, and \$5,293,512 for the F-16. (15:9) (See Table 1)

<u>Tactical Air Command Costs</u> <u>To Train and Experience</u> <u>A Fighter Pilot</u>			
	<u>F-4</u>	<u>F-15</u>	<u>F-16</u>
Basic Cost (Officer Training, Undergraduate Pilot Training)	\$ 397,818	\$ 397,818	\$ 397,818
Fighter Training (Lead in Training "B" Course)	1,018,272	1,539,523	1,376,355
Mission Qualification Training	186,652	216,389	138,807
3-Year Operations Tour	<u>4,547,679</u>	<u>5,350,551</u>	<u>3,380,532</u>
Total	\$6,150,421	\$7,504,281	\$5,293,512

Table 1. Cost of a Fighter Pilot

Since this training process takes about six years, the average fighter pilot has now met his initial obligation to the service and is free to leave, if he desires. He has become the "six million dollar man" of the Air Force. The questions now become "How much is it worth to the United States Government to keep this pilot in the Air Force?" and, more importantly, "How long can we afford to continue letting him go, before it has a serious impact on our national security?"

Pilot retention has been on the decrease since 1983, when it was at a record high of 78 percent. (See Table 2) As a result, the pilot retention rate dropped below 50 percent in fiscal 1987. According to the Air Force Times, the 1987 retention rate was 48 percent compared to 56 percent for fiscal 1986. In addition, the retention rate for TAC was 43 percent for fiscal 1987 compared to 54 percent for fiscal 1986. (5:1; 21:6) This was not an isolated year. In fact, there is reason to believe the retention rate will continue to be a problem at least through the mid-1990s. (20:--)

Pilot Retention Rates by Fiscal Year	
1979 .....	26%
1980 .....	42%
1981 .....	54%
1982 .....	68%
1983 .....	78%
1984 .....	72%
1985 .....	59%
1986 .....	56%
1987 .....	48%

Table 2. Pilot Retention Rates

The primary reason given for the problem seems to be the recent boom in airline hiring. The fact that the airlines have hired 6500 pilots a year for the last three years, and will probably continue at this rate through the early 1990s, lends credence to this reason. (2:26; 22:6) In fact, it is conceivable that the airlines could hire every pilot wanting to leave the service and still be short of their hiring quotas for the next several years. (5:30)

If the real reason for the high walkout rate is the higher pay of the airlines, "Air Force leaders have admitted that they cannot compete with airline salaries." (5:30; 6:1) According to an interview with Lt. Gen. Thomas J. Hickey, Air Force Deputy Chief of Staff for Personnel, "We cannot solve it economically - on pure economics - we're just never going to have enough money to do that. So we've got to do all the other things." (5:30)

At six million dollars a copy, it doesn't take many pilot losses to come up to quite a sum of money. Yet money is not the real expense here. The real expense is the loss of experienced pilots. When we are facing a Soviet threat that continues to grow in magnitude each year, the real cost of the low pilot retention rate in TAC is the lack of experience in our front line fighter force. How long can we afford to give lip service to the problem of pilot retention without incorporating some real fixes to the problem?

This paper will take a look at the real reasons for the recent shift in retention rates. It will examine what steps are now in progress to reverse the trend of the pilot walkout rate, and what success they are having, if any. It will examine several possible solutions that have been proposed but not implemented or seriously considered and for what reasons. Finally, it will submit one or more combinations of all proposed solutions and determine the feasibility of the proposals. To start off, let's take a look at reasons for the current low rate of pilot retention.

## Chapter Two

### DECREASING LEVELS OF PILOT RETENTION

Before examining the current situation, it is interesting to take a look at the retention problems the Air Force was facing in the late 1970s. In fiscal year 1979 the Air Force was losing 74 percent of its pilots. The magnitude of this problem and the short term negative impacts on Air Force readiness were significant. (16:1) Although the high volume of airline hires during that period was a major factor, more significant and interesting were the majority of the reasons given for leaving the service during that time. The reasons most often cited included: recent pay caps which had eroded earnings, frequent military moves, little control over the assignment process, financial losses encountered during moves, concern over the promotion system, retirement concerns, and the fact that there was a perceived lack of Air Force leadership to rectify these concerns. (16:8; 21:13)

A significant result that came out of this time frame was the establishment of the Assistant for Retention Activities Office (Retention Group) at the Air Staff level in September 1979. The retention group became a central focal point for retention initiatives and efforts Air Force wide. (16:2) It was due largely to the efforts of this group that significant measures came into being to effect a better retention rate. Responsible for pay hikes that reached 11.7 percent in 1980, aviation incentive pay increases of 25 percent, and the introduction of other incentive measures such as variable housing allowances, the retention group was instrumental in achieving a reversal of the declining pilot retention trend. (23:11)

What then are the similarities to be seen between the late 1970s and the mid-1980s? To be sure, the airlines are once more hiring in larger numbers than ever before, averaging 6,500 per year over the last three year period. Many pay caps over the recent years have had the effect of eroding the benefits and incentives of the Air Force. (17:7) But even more striking is the fact that internal irritants are once more cropping up. These include long duty days, non-flying additional duties, frequent moves, and a perceived lack of leadership within the Air Force to control these irritants. (14:24; 21:13)

Frederick V. Malmstrom and Richard M. Coffman recently conducted a study to determine the principle reasons why larger numbers of United States Air Force Academy graduates were resigning their commissions. This led to a theory of attractants



vs. irritants. Essentially the study was done to determine whether the "outside" attractants of better job opportunities were pulling people out or whether "internal" irritants were forcing people to leave. The interesting conclusion was that, in most cases, the inside irritants were causing the decision to leave and that once the decision to leave was made, then the outside opportunities were there. (10:24)

According to recent surveys conducted by the Military Personnel Center retention group, pay, especially aviation incentive pay, and leadership are the two most often cited reasons given for dissatisfaction in the Air Force. (9:1) The current retention rate coupled with the unprecedented surge of airline hiring means that we can no longer afford merely to stand by. The Air Force needs to act now to curb the retention problem.

The Air Force has already implemented several measures in response to the current retention problem. Certain measures are command specific while others are Air Force wide. Several of these programs include the less tangible "people" measures and as a result are the least costly of all. Let us now examine several of these programs in detail and address several "lessons learned" from past experiences.

## Chapter Three

### CURRENT RETENTION POLICIES AND PROGRAMS IN FORCE

The Air Force is currently looking at many different policies and programs to increase retention rates. Although the pay factor continues to dominate circles of discussion relating to the retention problem, the primary breakthroughs during recent years have been among the less tangible areas of concern. These programs are devoted to the irritant side of the issue and rightfully so. As stated in the previous chapter, irritants are the primary factors "pushing" folks out, and only then do the "pull" factors of the outside take over and offer avenues of equal or greater employment opportunities.

Therefore, there are currently many efforts under way to solve some of these primary irritants. One of the main irritants has been the issue of non-flying additional duties performed by aviators. Examples included such duties as awards and decorations officer; ground training officer, ground safety officer, "snack bar officer", etc., all of which included duties seen as not flying related. These non-flying additional duties added many hours to the already long duty days and were a primary source of irritation throughout TAC, in particular, and the general Air Force as well. In response to this problem, TAC has virtually eliminated all non-flying additional duties as of 1986. Most of these non-flying duties have since been taken over by non-rated officer and enlisted personnel. (24:--)

A closely related problem was the issue of the long duty day. The duty day includes time spent for flying, additional duties, meetings, etc. In 1983 the nominal duty day throughout TAC was approximately 12 hours for the average fighter pilot. This was reduced to approximately 10 hours by the end of 1986. (24:--) Although this can be viewed as a significant improvement to the duty day problem, commanders must be sensitive to the "face time" syndrome. Even though the policy of TAC is towards a shorter duty day, there is still the perception that if the commander is at work, then the "boys" should be, as well.

An additional program currently under way is the reduction of the total number of rated supplement positions throughout the Air Force. This is in response to the irritant of feeling pressured to enter a non-flying assignment to seek a better promotion potential.

From 1980 through 1987, career broadening requirements have been reduced by 6 percent. (748 positions) The 1988 president's budget reduced these positions an additional 208 through 1992 for a net change of 7.6 percent since 1980. This results in 82.2 percent of all pilots being in positions requiring them to fly in performance of their duties. (17:3)

The promotion system has been and continues to be a major irritant. The up or out concept has had devastating effects on the job security of the average aviator. The Air Force is now designing a promotion system that is more equitable to the aviator. Many pilots have expressed the feeling that advanced professional military education (PME) and a master's degree were proper "squares" that needed to be filled on the officer effectiveness report in order to compete for promotion to major. (9:30) This caused concern among those in the rated field because it was virtually impossible for aviators to receive advanced degrees and PME by the same time their counterparts in non-rated fields could. The fact that PME and advanced degree status will be de-emphasized on promotion folders is in direct response to this perception. (24:--; 9:30)

The Air Force is continuing its look at aviation pay. According to the Air Force Times, 20 July 1987, "An incentive pay increase was the primary issue addressed" at a recent pilot retention conference hosted by specialists from the Air Force Military Personnel Center. "They agreed that flight pay is an important part of the retention equation and recommended a substantial increase to encourage highly skilled and experienced pilots to stay in the Air Force." (9:1) This makes sense since the last major flight pay increase occurred in 1980. (23:11) After finally reaching parity with contemporary peers at that time, there has since been a constant erosion of pay benefits. This steady erosion of benefits is a direct result of the combination of a series of pay caps and the natural inflationary pressures from 1980 to the present. (19:5)

Improved career growth opportunities following the previous retention problem of the late 1970s did have a positive effect on pilot retention, and lasted until the current situation. A primary irritant at that time was the perceived lack of leadership, especially in the realm of career opportunities and assignment counseling. It was recognized the squadron commander could have a positive effect on retention by becoming more directly involved with his aircrews through career and assignment counseling. (14:14; 16:22)

To enable the individual more say in the future, the assignment process was revamped and the squadron commander was drawn into that process. This enhanced assignment procedure placed more emphasis on the job/man match. Air Force requirements still came first, but every attempt was made to align qualified individuals to the job of their choice. (16:9)

Although many of these programs have had positive retention results in the past, it is difficult to determine if they are working now. Certainly there is a time lag associated with the positive aspects of these programs and the final results on the retention rate. The Air Force has studied programs for pay raises and aviation pay hikes, however, these programs are only in the proposed stages and are not "seen" as tangible results. Therefore, the only programs currently in effect are the less tangible programs relating to duty day, additional duties, leadership, promotions, etc. As a result, this author feels it is safe to assume that retention will continue to decline at an alarming rate, exceeding the 48 percent mark of 1987. (5:1)

Therefore, although it is important to address problems such as additional duties, duty day length, staff and rated supplement jobs, promotion systems, and career growth, these programs must be integrated with other tangible and intangible courses of action. The following chapters will address some of these options and their probable results.

## Chapter Four

### A LOOK AT SOME ALTERNATIVE COURSES OF ACTION

If the current programs are failing to meet the retention goals of the Air Force, there are really only three ways to solve the pilot shortage problem. One is to increase the pilot input rate to offset the high walkout rate. The second is to further reduce the number of non-flying assignments to offset the decrease in critical flying jobs, and the third is to increase pilot retention.

The first two methods may work numerically in the short term; however, neither would solve the long term effects of the problem for the following reasons. Increasing the pilot input rate does balance the numerical problem of the high walkout rate but only by jeopardizing the experienced/inexperienced mix required to maintain a highly effective, combat capable aircrew force. Indeed, since it takes a minimum of five years to train an aircrew member to the experienced level, the first method would not gain fruition for a minimum of five years, and the combat capability would be less than acceptable during the interim. Secondly, drawing down the number of rated supplement and staff assignments and redistributing those assets back into the field only solves the problem for the immediate short term. With the pilot exodus still exceeding the input, the experienced/inexperienced ratio would soon fall below 40/60 which is the minimum acceptable for TAC. (11:98; 15:33) Therefore, retention needs to increase, and certain courses of action need to be implemented and integrated with the current ongoing process. One such proposal is the adoption of a dual track career system. (3:13)

The dual track officer management system would allow for a mid-career decision to be made by an officer to either continue to pursue a "fly only" career or to pursue a "command/staff" oriented career. The premise for a dual track system is based on the assumption that a large percentage of active duty pilots opting to leave the service do so because they perceive an inability to fly for their whole career. (3:13) This assumption is in fact partly substantiated by the Air Force career development regulations (AFR 36-23 and AFP 36-22). Examination of the pilot career progression grid indicates that only for the first five years is the pilot expected to concentrate on advancing and perfecting his flying skills. (See Table 3) Even during the 6-11 year time frame the pilot is encouraged to begin seeking staff and support functions. (11:94) The pilot who strictly follows his own interests in pursuing a "fly only"

<b>Initial Phase</b> (0 - 6 yrs)	<ul style="list-style-type: none"> <li>- Primary emphasis should be placed on establishing flying skills, including pilot and navigator training and qualification in an operational aircraft</li> <li>- Concentrate on further developing skills to upgrade to instructor</li> <li>- Complete Squadron Officer School by end of phase</li> <li>- Consider application for ASTRA Program</li> <li>- Selected navigators perform duties in scheduling and training</li> </ul>
<b>Intermediate Phase</b> (6 - 12 yrs)	<ul style="list-style-type: none"> <li>- Emphasis is on career broadening assignments</li> <li>- Move into associated utilization fields, such as flight safety, flight test maintenance, or experimental test</li> <li>- Complete intermediate PME</li> <li>- Possible assignment in support functions</li> <li>- Possible assignment as instructor or to an advanced flight school</li> <li>- Exposure to staff positions at the wing/air division/MAJCOM level</li> </ul>
<b>Advanced Development Phase</b> (12 - 18 yrs)	<ul style="list-style-type: none"> <li>- Some may be assigned as operations officers and squadron commanders</li> <li>- Officers in this phase will fill most operational staff positions</li> <li>- Those officers assigned to support duties should return to rated duties to renew currency and then move into staff positions</li> <li>- Rotate assignments between MAJCOM/geographical areas</li> <li>- Attend intermediate service school</li> <li>- Complete senior service school</li> <li>- Master's degree is desired</li> </ul>
<b>Staff Phase</b> (18 - 23 yrs)	<ul style="list-style-type: none"> <li>- Assignments to command/staff positions at wing/MAJCOM/Air Staff levels</li> <li>- Many officers will be removed from field operations for extensive periods</li> <li>- Assignment to command positions in support areas</li> </ul>
<b>Executive Phase</b> (23 - 30 yrs)	<ul style="list-style-type: none"> <li>- Assignments as wing/air division commanders, vice commanders, or high level staff directors</li> <li>- Attain doctorate degree if possible</li> </ul>

Table 3. Career Progression Guide for Pilots and Navigators  
(12:--; 13:--)

career within the current system views his chances for promotion as less than optimum. This can easily result in a job insecurity factor responsible for driving certain individuals out of the service. (11:94) This is especially true in today's situation with the outside job potential in aviation career opportunities that can promise this individual exactly what he wants to do--to fly.

A dual track system is used by the Royal Air Force and seems to work quite well. In their system the pilot makes a career decision at a certain point during his promotion eligibility. Following the decision point each career path diverges and follows individual promotion criteria. For the flight officer who selects the fly only career path, there is no "up or out" system which otherwise would "threaten" his job security. His efficiency reports are realistically oriented to his primary flying duties. This gives raters the latitude to rate officers with more objectivity. (18:12) If such a system were to be introduced into the Air Force, one can see certain benefits. Indeed it would have positive results on retention rates, yet the most significant impact would be the improved experience ratio. In fact, the current low experienced/inexperienced ratio of less than 50/50 would easily change to 60/40 or greater, and that is the ultimate goal of the Tactical Air Forces. (15:39)

However, there are drawbacks as well. Certainly it will require considerable time and effort to devise such a system. In light of the current situation, we may not have the time factor on our side. Secondly, this system would invoke some unique personnel problems related to the divergence of career fields.

A mixed rated officer force is a probable area of concern for Air Force planners attempting to implement a system differing in many ways from established methods. It would need to be stressed that the two career patterns would not be in competition, but would be mutually complementary in the overall flying mission of the Air Force. (18:16)

The Navy and the Marines also experienced a severe pilot retention problem during the late 1970s and early 1980s. In response to this critical shortage, the Navy sought and authorized both a continuation bonus and an increase in flight pay which began on 1 July 1981. The Air Force sought similar measures but opted only for the increase in flight pay. It saw the bonus program as only a short term measure, while the increase in flight pay would result in a longer term effect. "When it became apparent that the administration would not support another increase in flight pay until the retention effects of actions already taken were determined, the Air Force began to back the bonus proposal." (23:4) It is interesting to note that the bonus was authorized for the Air Force; however, the Air Force chose not to implement the bonus due to incomplete funding for the program. (23:5)

The current retention crunch has once again brought up the idea of a bonus program by the Air Force. In fact, the Air Force Times reported the Air Force is currently proposing a \$12,000 per year bonus to pilots completing their initial six year service obligation, according to Air Force Undersecretary James F. McGovern. (7:1)

The bonus program has the advantage that it can be used to target certain critical fields or year groups within the rated field. This would provide the monetary incentive to stay in another additional four to six years and help to maintain the experience levels needed. Additionally, by targeting certain populations, the bonus program would have the added advantage of potentially costing less than a substantial across-the-board increase in flight pay. According to a study conducted by the Navy during 1980, a \$7,000 annual bonus for six years provided a greater retention factor (.514) than a 100 percent increase in flight pay (.352), and at a cost of \$8,000,000 less annually. (23:7)

An additional advantage is that the Navy's program provides us with the opportunity to study the effects of a bonus program on retention. In 1981 alone it was determined the bonus program had saved the Navy \$2.8 billion in training costs, while costing only \$23.7 million. More importantly, the level of experienced pilots retained could never have been replaced by newly-trained pilots. (23:10)

A dual track career system, across-the-board increases in ACIP, and aviation pay bonuses all have potential for alleviating certain factors associated with current retention rates. Let's take a look at the best way to integrate these and other programs to solve or, at least, to diminish the low retention problem.



## Chapter Five

### CONCLUSIONS AND RECOMMENDATIONS

TAC is the sword of America's air power. Just as a sword's strength lies in a select alloy of various metals, the strength of TAC is dependent on the alloy of experienced and inexperienced aircrew members who fly the aircraft. Just as alloy steel is a combination of select elements which together form a strong metal, the strength of TAC's airpower is due to the proper alloy of experienced and inexperienced aircrews. Too much experience can cause a blend that is too brittle, while too much inexperience could result in a blend too weak to face the threat of today's enemy air forces.

There is no doubt the Air Force has a severe problem on its hands, especially in the fighter forces. It is increasingly more difficult to maintain a highly credible, deterrent force capability when the experience ratio is rapidly approaching the minimum acceptable rate of 40/60. (11:98; 15:33) The answers to this growing problem are far from simple and need to be found and implemented now.

First, we can look at the lessons learned from the previous experiences of 1980 when retention rates were similar. It was determined at that time there were many irritant factors that were "pushing" pilots out the door when they could just as easily have stayed in. We listened to their grievances and responded. As indicated before, we worked on solving the "people" problems. We encouraged and began training our supervisors to listen to their people and to provide timely information and counseling when and where needed. We responded to deficiencies in the assignment process and developed a system that allowed for more commander influence in assignments and career development. When problems in the promotion system surfaced, we responded with action to introduce a more objective system as well as trying to improve the officer effectiveness report (OER) process. We worked on the length of the duty day and the additional duty problems and, for the most part, many of these problems went away. All this was accomplished in the early 1980s, and it paid off. Retention rates were on the rise, and they were due largely to these "people" programs.

However, the current trend seems to be a repeat of the late 1970s; and, interestingly enough, many of the same reasons are emerging as to why people are getting out. How quickly we forget! Have we adopted the "if it isn't broke why fix it"

attitude? We, as the current and future leaders of the Air Force, need to work hard at keeping the "people" programs going. (19:16)

It is the opinion of this author, however, that this time it will not be enough to just solve the problem with aggressive personnel programs. This problem cannot be solved by a leather jacket approach to retention. (4:1) The current problem has been amplified by the major airlines hiring boom. It has indeed become an economic problem, especially when it has been determined to be economically more advantageous to leave the service at any time prior to retirement than to stay in. (22:6; 1:24)

While the dual track career system has its benefits and may very likely have the capability to solve some of the retention problems, it should not be utilized at this time. The disadvantages of incorporating a complex change into the personnel system at this time are greater than the immediate benefits that may or may not be realized. What is needed is a combination of programs that will have immediate results.

Therefore, it is imperative that the Air Force implement a twofold increase in pay for those in the aviation field. First, implement a 50 percent increase in the aviation career incentive pay (ACIP) across the board. Although this would not offset the potential income advantage of the airline industry, it will send a strong message to all aviators in all branches of the service. This pay increase is long overdue and would recoup some of the losses experienced through recent erosion of benefits. Secondly, the Air Force should proceed with the proposed bonus system, but only at the rate of \$6,000 per year. This decrease in the bonus system would be offset by the 50 percent increase in the ACIP, yet would still provide the targeting requirements and advantages of the bonus system. The reduced amount of the \$6,000 bonus would lessen the potential hostility that would likely occur between those that qualify for it and those that don't (targeting). With this combined pay increase, all fliers would benefit, and those in the critical fields and/or critical year groups could be especially targeted with the bonus. The total annual cost of this two fold approach would cost little more than a \$12,000 bonus program which would only target the 6-11 year group. (See Tables 4 - 6)

<u>100 % Retention</u>				
Number of Pilots (6-11 yr grp)		Annual Bonus (thousands)		Total Annual Cost (millions)
6,500	x	\$ 12	=	\$ 77.2
<u>75 % Retention</u>				
4,875	x	\$ 12	=	\$ 58.5

Table 4. Annual Cost of \$12,000 Bonus (100% and 75% Retention)

<u>100 % Retention</u>				
Number of Pilots (6-11 yr grp)		Annual Bonus	50 % Increase ACIP	Annual Cost (millions)
6,500	x	(6,000	+ 2,400)	= \$ 54.6
(1-5/12-28 yr grp)				
17,700	x	( N/A	+ 1,200)	= \$ 21.2
(other rated)				
10,500	x	( N/A	+ 1,800)	= <u>\$ 18.9</u>
Total Annual Cost				= \$ 94.7
<u>75 % Retention</u>				
Number of Pilots (6-11 yr grp)		Annual Bonus	50 % Increase ACIP	Annual Cost (millions)
4,875	x	(6,000	+ 2,400)	= \$ 40.9
(1-5/12-28 yr grp)				
17,700	x	( N/A	+ 1,200)	= \$ 21.2
(other rated)				
10,500	x	( N/A	+ 1,800)	= <u>\$ 18.9</u>
Total Annual Cost				= \$ 81.0

Table 5. Cost of Bonus and ACIP Increase (100% and 75% Retention Rates)

While all this sounds promising, it is important to note that the retention problem will not be solved by pay alone. According to the Air Force Chief of Staff, the Air Force needs more than an increase in aviation career incentive pay to improve

pilot retention. The service also must do a better job of telling pilots how important their positions as aircrew members are. (8:1)

My sensing from talking to a lot of pilots is that the key thing is that probably we haven't been successful enough at conveying...that what they do as a pilot is extremely important, and their performance as an aircrew member is an adequate basis for rewarding them.

There seems to be a fairly widespread feeling that if you want to get ahead in the Air Force you've got to go beyond being an aircrew member and have a lot of career broadening and do a lot of other things, other than being a very good combat crewmember.

We have to...be sure the Air Force leadership attitude reflects...the fact that being a good combat crewmember or a good instructor pilot...or a good pilot or crewmember in any other part of the Air Force is in and of itself a proper basis for promotion from captain to major, or from major to lieutenant colonel - as good a basis as any we have.

Gen. Larry D. Welch (8:1)

In order to succeed in reversing the decrease in pilot retention and ultimately our combat capability, we need to institute a blend of programs which together will provide the synergistic effect of higher pilot retention. By rewarding our pilots for what they do and promoting them and rating them on the primary basis of their primary duties, we will be sending them a message--that they are needed and respected and that the current leadership is responding to their needs. Whether correctly perceived or not, this message was lacking in the past. This message, combined with the prospect of better pay and the potential for added bonuses to the particular targeted fields will certainly be a step in the right direction. We can no longer afford the tactical implications of the current trend. It must be reversed for the sake of our national security.

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